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C O N F I D E N T I A L SECTION 01 OF 02 LILONGWE 000895

SIPDIS

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TAGS: PGOV EFIN PINR KCOR MI SUBJECT: UDF INSIDER VENTS ON THE MUTHARIKA ADMINISTRATION

REF: LILONGWE 854

Classified By: Pol/Econ Officer Peter W. Lord, reasons 1.5 (b/d).

11. (C) Ruling United Democratic Front (UDF) MP Austin Muluzi, son of former President Bakili Muluzi, spoke freely about the UDF's displeasure with President Bingu wa Mutharika at a September 15 lunch with poloff. According to Austin, UDF MPs plan to feign support for Mutharika's budget at a September 15 party caucus with Mutharika and then to vote against it the following week. Describing the President and his administration as politically unsavvy, Austin explained that the President had been blatantly ignoring the UDF because Mutharika felt, until recently, he had the opposition's full support. Turning to former President Muluzi's recent grassroots rallies, Austin said Muluzi wanted to ensure he had popular support in case Mutharika tries to bring Muluzi up on corruption charges, which both son and father were convinced would happen in the near future. Austin reported that Muluzi had made a gentlemen's agreement with Mutharika that Mutharika could prosecute members of the former administration, as long as Muluzi was left out of it. Malawian politics, Austin has a rather dramatic interpretation of current political discourse, but he is in all of the right conversations with all of the right people. END SUMMARY.

TAKING THE BUDGET TO THE FLOOR

12. (C) At a September 15 lunch with poloff, United Democratic Front (UDF) MP Austin Muluzi, son of former President Bakili Muluzi, said the current budget session of Parliament would finish on September 24, one week longer than expected (reftel). During the session, Austin said the Mutharika administration would have trouble passing its budget because UDF MPs planned to vote against it in protest of the President's lack of support for the party. According to Austin, UDF MPs planned to feign support for the budget at a September 15 party caucus with the President in order to preempt any suspicions the President may have.

DISPLEASURE IN THE UDF: "TOO LITTLE, TOO LATE"

13. (C) Characterizing the vote against the budget as a form of protest, Austin said that many MPs in the UDF are discontented by Mutharika's lack of support for the party, willingness to try the party faithful for alleged corruption, and unilateral decisions without consulting the party. only recently, according to Austin, that Mutharika has attended party rallies, and only under intense pressure from party members and decreasing support from the opposition. Austin also described the party's growing disdain with several of Mutharika's "loud" appointments, like Director of Public Prosecutions Ishmael Wadi and Chief of Staff Ken Ng'oma, who consistently lambaste Muluzi and the UDF. Austing the control of said Mutharika recently realized that his support in the opposition was waning and that he needed to improve relations with the UDF. The feeling amongst party members, Austin said, is that Mutharika has done "too little, too late" for the party.

COURTING OPPOSITION SUPPORT

14. (C) Summarizing Mutharika's political strategy, Austin said Mutharika believed he could garner support from the opposition ranks by implementing their initiatives and rebuffing the UDF. Austin cited budgets items such as the mausoleum for former President-for-Life Dr. Kamuzu Banda as evidence of Mutharika's alliance with the opposition Malawi Congress Party (MCP), which controls the most seats in Parliament. This strategy worked for a while, Austin surmised, until opposition leadership began feeling that Mutharika was stealing their reform initiatives and taking all the credit. Only with support waning in the opposition did Mutharika return to the UDF. Mutharika has, however, continued his attempts to build his central region support by reverting the names of Lilongwe International Airport, Lilongwe Central Hospital, and Chichiri Stadium to their pre-multi-party democracy names of "Kamuzu Banda," a move which has been trumpeted by the MCP.

ADVISING MUTHARIKA

15. (C) According to Austin, Mutharika has three principal

advisors: Chief of Staff Ken Ng'oma, Chief Secretary for the Public Service Charles Matabwa, and his Chief Security Advisor (no name given). Foremost in the next tier of advisors is Secretary to the President and Cabinet Bright Msaka. Austin, however, said Msaka, a distant relation of Muluzi's, was "on Muluzi's team," and Mutharika only trusted him to a point. Austin also said Minister of Finance Goodall Gondwe, an old friend of Mutharika's, was really more in the Muluzi camp than the Mutharika one and that Gondwe was becoming "very frustrated" with Mutharika's unilateral style of management. (COMMENT: Very politically savvy, Gondwe was Muluzi's Economic Advisor during the second Muluzi administration. He maintains close relations with both Muluzi and Mutharika. END COMMENT.)

MULUZI: TAKING CARE OF HIMSELF

"when Muluzi is arrested," not "if."

- 16. (C) Confirming Muluzi's drive for a third term was born in fear of what would happen after he left office, Austin said his father had a gentlemen's agreement with Mutharika that Mutharika could prosecute anyone from the previous administration for corruption, as long as Muluzi was left out of it. Austin specifically cited former Minister of Finance Friday Jumbe as a potential target. Austin said that contrary to the agreement, reliable information has reached both him and his father that Mutharika is now speaking about
- $\underline{\mbox{\bf 1}} \mbox{\bf 7.}$ (C) In an attempt to keep the party together and to maintain his own popular support, Muluzi has started holding more political rallies at the grassroots. Austin said Muluzi feels his only remaining strategy against a potential arrest for corruption is if he "has the people on his side." According to all indications, Muluzi remains very popular in the villages, while the educated urbanites would support his prosecution.

COMMENT

- 18. (C) Politically immature, Austin has a dramatic interpretation of current political debate; that said, he is at the center of all major UDF discussions. While there may be growing displeasure with Mutharika in the UDF and Mutharika may be losing opposition support, voting the budget down would be an unprecedented (and unlikely) vote of no confidence by Parliament. Austin clearly sees ruling party and opposition support as a zero-sum game. Mutharika, on the other hand, has a more nuanced understanding and realizes that the UDF is no longer the voting block it once was and may only be a source of some support.
- $\P9$. (C) COMMENT CONTINUED. We have no trouble believing that Muluzi is willing to let others take the fall in order to save himself. While Muluzi's former cronies will likely try to implicate him as well, Muluzi knows that support from the presidency would likely be enough to shield him from prosecution. Yet, Mutharika has given no indication that that support will be forthcoming. END COMMENT. RASPOLIC